

SHELBY: LITTLE TOWN THINKS BIG

By Erin Madison

While many Hi-Line communities are struggling to survive, Shelby has a diverse economy which is helping the small town prosper.

As far as Hi-Line towns go, Shelby has a brighter outlook than a lot of them, said Pat McDonough, owner of Fieldstone Gallery.

"We just have a lot for a little town," he said.

Shelby is a base for U.S. Border Patrol, which is expanding; FBI offices are in the works; a three-phased wind farm is slated to be developed; a private prison is located there; and the town has found a number of ways to take advantage of being at the intersection of two railroads, a highway and an interstate.

"We're a very diverse rural economy," said Shelby Mayor Larry Bonderud.

A sturdy stool

Shelby's economy used to rely on oil, gas and agriculture — all things that can be effected by the worldwide market.

Now Bonderud describes the local economy as a steady stool.

The first move was to add a transportation leg to that stool by building a reload facility where goods can be taken off train cars and put on semi trucks or vice versa.

The corrections facility added another leg. Having Homeland Security there also acted as another stool leg, Bonderud said.

Now Shelby is hoping to add a wind energy leg.

"As things happen with any of them ... the stool doesn't fall over," Bonderud said.

An ideal area for wind

The wind energy park is a major boon for Shelby, Bonderud said.

The project is slated to be done in three phases, he said.

The first phase will consist of 69 windmills that will produce 103 megawatts of energy. That wind farm will go in south of Ethridge. That phase isn't dependent on the Montana Alberta Tie Line, or MATL.

"That's going for sure," Bonderud said.

The other two phases will be dependent of MATL.

The second phase is planned to be the same size as the first, and the third phase will consist of 162 windmills, producing 300 megawatts.

"The key to wind development across Montana is transmission," Bonderud said.

Without transmission capacity such as MATL, the wind projects won't happen, he said.

A common argument against wind development that Bonderud hears is that the energy will be sold out of state.

His answer to that is Montana doesn't consume all the beef produced in the state, nor all the wheat grown here.

"Electricity is no different," he said.

To him, it seems that Montana is in a great place to supply energy to Calgary, where residents pay twice as much for it as in Shelby.

The development of the wind farm has the potential to increase the tax base enough to lower county taxes by 75 to 80 percent, Bonderud said.

Impact of private prison

Already, the Crossroads Correctional Center, which opened in 1999, has helped increase the tax base, which at the time was decreasing. In 2004, it contributed almost \$445,000 in taxes, according to an analysis done five years after the prison was built.

Currently the prison employs 225 people.

Prison administrators made a major effort to hire people from the area, Bonderud said. Now with an unemployment rate of about 1 percent, Shelby is at virtually full employment, so now the town is helping the prison find ways to attract workers to the area.

With a U.S. Border Patrol base in Shelby and a Montana Highway Patrol center located there in addition to prison guards and local law enforcement, Toole County has one trained law enforcement officer for every 10 residents, Bonderud said.

Border patrol currently employs about 20 people at its Shelby branch, Bonderud said, but it's looking to expand to more than three times that number.

The FBI is also considering building a new facility in Shelby. The bureau wants to locate in an area where it can support the border and would also be close to a number of the Indian reservations where it does much of its work in Montana, Bonderud said.

Shelby also recently purchased a 106-acre site southeast of town along the main railroad line to develop an energy park.

Shelby's long-standing businesses

While it's great to have new things coming into Shelby, it's important not to overlook the longtime businesses that serve the community.

"For rural communities, Main Street and business districts are really the key to survival," he said.

In the past year, four long standing business sold and were all purchased by Shelby community members.

"I think that says a lot," Bonderud said.

Dawna Widmare and her husband Jack recently purchased Shelby's jewelry store, which is one of only a few on the Hi-Line.

"We're needed," Widmare said. "It's a service that really we couldn't afford to lose up here."

Some people don't want to drive to Great Falls to shop, she said.

To Widmare, Main Street seems busy.

"People are out shopping," she said.

Anne Clark took over Northtown Drug, formerly Wells Drug, in October.

She wanted to be able to continue a valued Main Street business, which the previous owner operated for 42 years.

The pharmacy attracts customers from all over the area, she said.

"Business is very good," Clark said. "It's a busy Main Street."

Kevin and Elaine Mitchell operated the O'Hair Manor Inn in Shelby for 17 years. They sold the hotel this summer and purchased the Main Street True Value hardware store.

"We wanted to stay in Shelby," Kevin Mitchell said. Mitchell is comfortable with the growth Shelby has shown. While businesses in many small towns are closing and going away, four businesses in Shelby changed hands recently.

Shelby has also seen two new buildings built on Main Street — something rarely seen in rural Montana, Bonderud said.

HO Parts Plus and Fieldstone Gallery both moved to new buildings on Main Street.

Fieldstone's McDonough hopes his new building will spark an improvement on Main Street.

Main Street hadn't seen a new building in about 20 years, then two went in in the same year, McDonough said.

Stretching tax dollars

Shelby has also found a number of different ways to make tax dollars go a little further.

They recently consolidated their schools into two buildings to prepare for the trend of declining enrollment, but they also designed the elementary school so that two additional classes could easily be added to the building.

The city partially tore down one of the old elementary schools, but retained part of the building and will add on to it to create a new fire hall.

The city and Toole County have also found ways to collaborate such as by combining their law enforcement agencies.

Shelby has also established a program with Conrad and Cut Bank where the three towns share city equipment.

"That's the way you stretch tax dollars," Bonderud said.

Shelby recently partnered with NeighborWorks Great Falls to help combat a housing shortage, said Lorette Carter, community development director.

They're bringing in 10 affordable manufactured homes, she said.

Shelby also has about 100 developable lots available that have all the needed infrastructure such as water and sewer, Bonderud said.

Shelby is nearing completion of a roughly 5-mile walking trail, Carter said.

It's also working on a project to recreate the boxing ring from the July 4, 1923 heavy weight championship fight between Jack Dempsey and Tommy Gibbons.

Bring kids home

Bonderud has spent a fair amount of time contemplating why Shelby has done so well, while other Hi-Line towns are struggling to survive.

He credits the town's success to the fact that between 1973 and 1977 more than 100 Shelby High School graduates returned to the town. They came back educated and took jobs as doctors, lawyers, bankers and farmers.

They also took positions such as school board members, city council men, county commissioners and other city leaders.

"These people have a tremendous sense of community," Bonderud said.

Bonderud himself is an optometrist. He's served as either mayor or a city councilman since 1977.

"There's an absolute consensus in this community to move forward," he said.

Bonderud's advice to other communities is to bring kids back.

"That's the best thing you can do," he said.